



House of Representatives

General Assembly

File No. 579

February Session, 2004

Substitute House Bill No. 5007

House of Representatives, April 14, 2004

The Committee on Appropriations reported through REP. DYSON of the 94th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING PERSONAL CARE ASSISTANCE AND THE HOME-CARE PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 17b-342 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2004*):

4 (c) The community-based services covered under the program shall
5 include, but not be limited to, the following services to the extent that
6 they are not available under the state Medicaid plan, occupational
7 therapy, homemaker services, companion services, meals on wheels,
8 adult day care, transportation, mental health counseling, care
9 management, elderly foster care, minor home modifications and
10 assisted living services provided in state-funded congregate housing
11 and in other assisted living pilot or demonstration projects established
12 under state law. The commissioner shall allow personal care assistance
13 as an alternate covered service to home health services under the state-

14 funded portion of the program, provided the annual net cost to the
15 state for such personal care assistance does not exceed the annual net
16 cost to the state for home health services provided under the program
17 during the fiscal year ending June 30, 2004. Personal care assistance
18 under the program may be provided by nonspousal family members
19 of the recipient of services under the program. Recipients of state-
20 funded services and persons who are determined to be functionally
21 eligible for community-based services who have an application for
22 medical assistance pending shall have the cost of home health and
23 community-based services covered by the program, provided they
24 comply with all medical assistance application requirements. Access
25 agencies shall not use department funds to purchase community-based
26 services or home health services from themselves or any related
27 parties.

28 Sec. 2. (NEW) (*Effective from passage*) The Commissioner of Social
29 Services, pursuant to section 17b-342 of the general statutes, as
30 amended by this act, shall apply to the Centers for Medicaid and
31 Medicare Services for a waiver to include in the Medicaid funded
32 home-care program personal care assistance. Personal care assistance
33 under the program may be provided by nonspousal family members
34 of the recipient of services under the program.

35 Sec. 3. Section 17b-343 of the general statutes is repealed and the
36 following is substituted in lieu thereof (*Effective July 1, 2004*):

37 The Commissioner of Social Services shall establish annually the
38 maximum allowable rate to be paid by said agencies for homemaker
39 services, chore person services, companion services, respite care, meals
40 on wheels, adult day care services, case management and assessment
41 services, transportation, mental health counseling and elderly foster
42 care, except that the maximum allowable rates in effect July 1, 1990,
43 shall remain in effect during the fiscal years ending June 30, 1992, and
44 June 30, 1993. The Commissioner of Social Services shall prescribe
45 uniform forms on which agencies providing such services shall report
46 their costs for such services. Such rates shall be determined on the

47 basis of a reasonable payment for necessary services rendered. The
 48 maximum allowable rates established by the Commissioner of Social
 49 Services for the Connecticut home-care program for the elderly
 50 established under section 17b-342, as amended by this act, shall
 51 constitute the rates required under this section until revised in
 52 accordance with this section. The Commissioner of Social Services shall
 53 establish a fee schedule, to be effective on and after July 1, 1994, for
 54 homemaker services, chore person services, companion services,
 55 respite care, meals on wheels, adult day care services, case
 56 management and assessment services, transportation, mental health
 57 counseling and elderly foster care. The commissioner may annually
 58 increase any fee in the fee schedule based on an increase in the cost of
 59 services. The commissioner shall increase the fee schedule effective
 60 July 1, 2000, by not less than five per cent, for adult day care services.
 61 The commissioner shall establish a fee schedule, to be effective July 1,
 62 2004, for personal care assistance services including reimbursement to
 63 nonspousal family members of recipients of services who provide
 64 personal care assistance to their recipient family member. Nothing
 65 contained in this section shall authorize a payment by the state to any
 66 agency for such services in excess of the amount charged by such
 67 agency for such services to the general public.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>July 1, 2004</i>

AGE	<i>Joint Favorable Subst. C/R</i>	HS
HS	<i>Joint Favorable C/R</i>	APP
APP	<i>Joint Favorable Subst.</i>	

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect
Department of Social Services	GF - See Below

Municipal Impact: None

Explanation

This bill allows personal care attendant (PCA) services as an alternative service to home health aides under the state funded and waiver portions of the Connecticut Home Care program. The bill specifies that the net annual cost for PCA services cannot exceed the net annual cost for home health services in FY04. The effect of this provision is uncertain. It is not known to what extent utilization of PCA services will decrease utilization of home health aides. Although PCA services are generally less expensive per unit of service, the experience of the current PCA Pilot program has shown that increased utilization of PCA's has resulted in a net increased cost of services under the pilot program as compared to the regular home care program. Therefore, allowing increased utilization of PCA's while also capping the expenditure may lead to one of three outcomes: 1) the cost of PCA services is in excess of the savings realized through decreased utilization of home health aides, resulting in a net increased cost to the program; 2) the cost of the PCA program is less than the savings realized through decreased utilization of home health aids, resulting in a net savings to the program; or 3) the bill's specification that expenditures cannot exceed those of FY03 will result in fewer people being served if individuals on the program increase their utilization due to the availability of PCA services.

OLR BILL ANALYSIS

sHB 5007

AN ACT CONCERNING PERSONAL CARE ASSISTANCE AND THE HOME-CARE PROGRAM**SUMMARY:**

This bill requires the Department of Social Services (DSS) commissioner to allow consumer-directed personal care assistance (PCA) services as an alternative to regular home health care (through agencies) under both the state-funded portion and the Medicaid-waiver portion of the Connecticut Home Care Program for Elders (CHCPE), which serves people age 65 and over. It also permits recipients' family members, other than spouses, to act as personal care assistants in this program. Under the bill, the annual net cost to the state for PCA services under the state-funded portion of the program cannot exceed the annual net cost for home health services provided under the program in FY 2003-04. (The bill does not define "annual net costs." It is unclear whether these are total annual costs or per-person annual costs and what items must be subtracted to arrive at net costs.)

The bill also requires the commissioner to (1) apply to the Centers for Medicare and Medicaid Services for a waiver to include PCA services, including those provided by nonspousal family members, in the Medicaid-funded waiver portion of the program and (2) establish a fee schedule, effective July 1, 2004, for PCA services, including reimbursement to recipients' nonspousal family members.

EFFECTIVE DATE: July 1, 2004, except the Medicaid waiver provision, which takes effect upon passage.

BACKGROUND***Personal Care Assistance***

Consumer-directed PCA services are an alternative to nursing homes or home care through an agency. In such a program, the client chooses his own personal care assistant (also sometimes called a personal care attendant) to help him with personal care and activities of daily living.

The client employs, trains, supervises, and may fire the attendant, but a financial intermediary takes care of the paper work. The program provides training to the client on how to function as the employer.

In the regular home care program, the client receives care through a home health care agency, which employs various home health care aides, homemakers, or chore persons for different functions and usually does not allow the client to choose the aide. The personal care assistant can take over a number of these different functions.

Connecticut PCA Program for Younger Disabled People

Connecticut already allows this model of care to some extent under the Medicaid PCA waiver for disabled people age 18 to 64 and the acquired brain injury waiver, but has only a limited number of slots available in each of these programs. Until the state-funded 50-person elderly pilot began in 2000 (see below), people in this program had to switch to regular home care through an agency when they turned age 65.

Elderly PCA Pilot

Legislation in 2000 required DSS to create a state-funded PCA pilot program within the CHCPE program for up to 50 people age 65 and over and allowed the commissioner, at her discretion within available appropriations, to increase the cap on participants to 100 if the pilot is demonstrated to be cost-effective. The commissioner has not increased the cap.

The pilot allows eligible applicants to hire their own personal care assistants instead of going through a home health care agency for services. The program is available to people who (1) were receiving PCA services under the Medicaid waiver program for the disabled during the year before they turned age 65 or (2) are eligible for CHCPE services but unable to access adequate home care services.

COMMITTEE ACTION

Select Committee on Aging

Joint Favorable Substitute Change of Reference

Yea 9 Nay 0

Human Services Committee

Joint Favorable Change of Reference

Yea 17 Nay 0

Appropriations Committee

Joint Favorable Substitute

Yea 38 Nay 12